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FORE!KIDS FOUNDATION, INC.
d/b/a ZURICH CLASSIC OF NEW ORLEANS

FINANCIAL STATEMENTS

June 30, 2005 and 2004

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 3/15/06

FORE!KIDS FOUNDATION, INC.
d/b/a ZURICH CLASSIC OF NEW ORLEANS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors

Fore!Kids Foundation, Inc. d/b/a Zurich Classic of New Orleans

We have audited the accompanying balance sheets of Fore!Kids Foundation, Inc. d/b/a Zurich Classic of New Orleans (the "Foundation," a Louisiana non-profit organization) as of June 30, 2005 and 2004, and the related statements of activities and cash flows for the years then ended. These financial statements and the schedules referred to below are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2005 and 2004, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 10, 2005, on our consideration of the Foundation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contract and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary schedules on pages 11-16 are presented for the purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in the audits of the basic financial statements, and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Wegmann Dazet & Company

August 10, 2005

FORE!KIDS FOUNDATION, INC. D/B/A ZURICH CLASSIC OF NEW ORLEANS
BALANCE SHEETS

June 30, 2005 and 2004

	2005	2004
ASSETS		
Current assets		
Cash and cash equivalents	\$ 200,029	\$ 415,880
Accounts receivable	745,611	383,067
Other receivables	-	2,851
Prepaid expenses	16,666	16,667
Investments	1,176,169	1,069,624
Total current assets	<u>2,138,475</u>	<u>1,888,089</u>
 Property and equipment, at cost less accumulated depreciation	 <u>528,619</u>	 <u>376,630</u>
Total assets	<u><u>\$ 2,667,094</u></u>	<u><u>\$ 2,264,719</u></u>
LIABILITIES		
Current liabilities		
Lines of credit	\$ 648,794	\$ -
Accounts payable	681,616	754,582
Accrued expenses	109,254	51,414
Short - term debt	-	635,000
Total current liabilities	<u>1,439,664</u>	<u>1,440,996</u>
NET ASSETS		
Net assets - unrestricted	<u>1,227,430</u>	<u>823,723</u>
Total liabilities and net assets	<u><u>\$ 2,667,094</u></u>	<u><u>\$ 2,264,719</u></u>

See accompanying Notes to Financial Statements.

FORE!KIDS FOUNDATION, INC. D/B/A ZURICH CLASSIC OF NEW ORLEANS
STATEMENTS OF ACTIVITIES

Years Ended June 30, 2005 and 2004

	2005	%	2004	%
Tournament revenues	\$ 10,496,607	100.0	\$ 9,539,388	100.0
Direct tournament expenses	8,581,269	81.8	8,107,792	85.0
Indirect tournament expenses	<u>1,254,618</u>	12.0	<u>1,062,694</u>	11.1
Tournament net income	<u>660,720</u>	6.3	<u>368,902</u>	3.9
Other income (expense)				
Investment income	38,637	0.4	35,520	0.4
Interest expense	(38,082)	(0.4)	(11,605)	(0.1)
Other income	85,011	0.8	70,575	0.7
Gain (loss) on sale of securities	<u>14,186</u>	0.1	<u>(25,635)</u>	(0.3)
Total other income	<u>99,752</u>	1.0	<u>68,855</u>	0.7
Excess of revenue over expenses before donations	760,472	7.2	437,757	4.6
Donations to charitable organizations	<u>418,036</u>	4.0	<u>152,201</u>	1.6
Change in net assets before unrealized gain on investments	<u>342,436</u>	3.3	<u>285,556</u>	3.0
Unrealized gain on investments	<u>61,271</u>	0.6	<u>213,513</u>	2.2
Change in net assets	<u>\$ 403,707</u>	3.8	<u>\$ 499,069</u>	5.2
Net assets				
Beginning of year	\$ 823,723		\$ 324,654	
Change in net assets	<u>403,707</u>		<u>499,069</u>	
End of year	<u>\$ 1,227,430</u>		<u>\$ 823,723</u>	

See accompanying Notes to Financial Statements.

FORE!KIDS FOUNDATION, INC. D/B/A ZURICH CLASSIC OF NEW ORLEANS
STATEMENTS OF CASH FLOWS

Years Ended June 30, 2005 and 2004

	2005	2004
Cash flows from operating activities:		
Changes in net assets	\$ 403,707	\$ 499,069
Adjustments to reconcile to net cash from operating activities:		
Depreciation	66,934	46,750
Loss on the disposal of assets	-	1,541
(Increase) decrease in operating assets:		
Accounts receivable	(362,544)	(67,021)
Other receivables	2,851	(2,032)
Prepaid expenses	-	8,333
Increase (decrease) in operating liabilities:		
Accounts payable	(72,965)	(57,745)
Accrued expenses	57,840	(30,384)
Accrued retirement benefits	-	(684)
Net cash provided by operating activities	<u>95,823</u>	<u>397,827</u>
Cash flows from investing activities:		
Purchase of property and equipment	(218,923)	(45,100)
Purchase of investments, net	<u>(106,545)</u>	<u>(124,400)</u>
Net cash used by investing activities	<u>(325,468)</u>	<u>(169,500)</u>
Cash flows from financing activities:		
Borrowings under lines of credit	650,000	-
Repayments of lines of credit	(1,206)	-
Borrowings under short-term debt	-	850,000
Repayments under short-term debt	<u>(635,000)</u>	<u>(950,000)</u>
Net cash provided (used) by financing activities	<u>13,794</u>	<u>(100,000)</u>
Net (decrease) increase in cash	(215,851)	128,327
Cash at beginning of year	<u>415,880</u>	<u>287,553</u>
Cash at end of year	<u>\$ 200,029</u>	<u>\$ 415,880</u>

See accompanying Notes to Financial Statements.

FORE!KIDS FOUNDATION, INC.
d/b/a ZURICH CLASSIC OF NEW ORLEANS
NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2005

1) Nature of operations

The Fore!Kids Foundation, Inc. (the Foundation) was incorporated on September 20, 1990 under the laws of the State of Louisiana as a non-profit corporation and does business as the Zurich Classic of New Orleans. The primary purpose of the Foundation is the promotion of social welfare for the community of New Orleans by promoting, managing and sponsoring an annual PGA TOUR golf tournament. The tournament is sponsored under a written agreement with PGA TOUR, which details the terms and conditions of the tournament, prizes to professionals, the financial obligations and general division of duties of the parties.

2) Summary of significant accounting policies

The significant accounting policies followed by the Foundation are summarized as follows:

a) Accrual basis

The financial statements of the Foundation have been prepared on the accrual basis of accounting.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

c) Classification of net assets

Financial Accounting Standards Board Statement No. 117 entitled Financial Statements for Not-for-Profit Organizations requires that net assets and changes in net assets be reported for three classifications - permanently restricted, temporarily restricted and unrestricted - based on the existence or absence of donor imposed restrictions of these assets to a particular purpose. As the Foundation has a single purpose - the operation of the annual golf tournament and the donation of the proceeds thereof to charitable organizations - all net assets are classified as unrestricted.

d) Cash and cash equivalents

Cash and cash equivalents include cash and highly liquid marketable securities with original maturities of 90 days or less.

FORE!KIDS FOUNDATION, INC.
d/b/a ZURICH CLASSIC OF NEW ORLEANS
NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2005

2) Summary of significant accounting policies (continued)

e) Accounts receivable

Trade accounts receivable are stated at the amount the Foundation expects to collect. The Foundation maintains allowances for doubtful accounts for estimated losses resulting from the inability of its customers to make required payments. If the financial condition of the Foundation's customers were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. The Foundation's estimate for the allowance for doubtful accounts is based on a review of the current status of accounts receivable. The Foundation believes all trade receivables are fully collectible, therefore no allowance exists at June 30, 2005 and 2004.

f) Depreciation

The depreciation methods used by the Foundation are as follows:

Leasehold improvements	Straight-line	10 years
Equipment	Straight-line, accelerated methods	5-7 years

Property and equipment are stated at cost, less accumulated depreciation. Additions, improvements and expenditures for maintenance that add materially to productive capacity or extend the life of an asset are capitalized. Other expenditures for maintenance are charged to operations in the year incurred.

g) Contributed services

Members of the tournament's executive committee and other volunteers have made significant contributions of their time to assist in the tournament's operation and related charitable programs. The value of this contributed time is not recorded in these financial statements because it is not susceptible to objective measurement or valuation.

The Foundation also offers various rights and services during the tournament to several of its suppliers in return for services and products provided by these suppliers such as use of rental cars, rental of equipment, airplane tickets, catering services, and other services and products. These non-cash trades are recorded at the value of the service given up by the Foundation and totaled approximately \$240,500 and \$315,400 during 2005 and 2004, respectively.

FORE!KIDS FOUNDATION, INC.
d/b/a ZURICH CLASSIC OF NEW ORLEANS
NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2005

2) Summary of significant accounting policies (continued)

h) Investments

FASB Statement No. 124 entitled *Accounting for Certain Investments Held by Not-for-Profit Organizations* requires investments to be carried at fair value. At June 30, 2005 and 2004, \$1,176,169 and \$1,069,624 was invested in various equity securities and long-term certificates of deposit, respectively.

i) Agency funds payable

In accordance with Statement of Financial Accounting Standards No.136, funds that are designated to the Foundation's charities are recorded as funds payable to charities. At June 30, 2005 and 2004, the Foundation had \$225,000 and \$94,525 in funds payable to charities. Funds payable to charities is included in accounts payable at June 30, 2005 and 2004, respectively.

j) Reclassification

Certain amounts in the 2004 financial statements have been reclassified to conform to the 2005 presentation.

3) Property and equipment

	<u>2005</u>	<u>2004</u>
Property and equipment consists of the following:		
Cost		
Equipment	\$ 210,859	\$ 202,375
Leasehold improvements	<u>540,540</u>	<u>330,101</u>
Total cost	751,399	532,476
Less accumulated depreciation	<u>222,780</u>	<u>155,846</u>
Property and equipment	<u>\$ 528,619</u>	<u>\$ 376,630</u>

4) Concentration of credit risk

Financial instruments that potentially subject the Foundation to concentration of credit risk consist principally of cash and investments. The Foundation at times has cash on deposit at financial institutions that is in excess of federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000.

The Foundation has invested investment accounts that contain cash and securities. Balances are insured up to \$500,000 with a limit of \$100,000 for cash, by the Securities Investor Protection Corporation (SPIC).

The Foundation has not experienced any losses in such accounts. The Foundation has no policy requiring collateral or other security to support its deposits.

FORE!KIDS FOUNDATION, INC.
d/b/a ZURICH CLASSIC OF NEW ORLEANS
NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2005

4) Concentration of credit risk (continued)

As of June 30, 2005, the Foundation had four customers that comprised approximately 75% of total accounts receivable. As of June 30, 2004, the Foundation had two customers that comprised approximately 78% of total accounts receivable.

The Foundation has no policy requiring collateral or other security to support its accounts receivable.

5) Tournament income

The Foundation's primary source of revenue is the sale of tournament sponsorships and other rights. The sponsorship agreement with Zurich calls for, among other things, an annual sponsorship fee, guarantee of the purchase of a specified number of advertising units from the networks broadcasting the Tournament, and the right to have the Zurich name included in the tournament name. Payments on behalf of Zurich were made to the Foundation totaling \$2,900,000 and \$-0- for the years ended June 30, 2005 and 2004, respectively. The term of the agreement is effective until the 2008 tournament.

6) Donations

The Foundation makes donations to local and children's charities based on requests received during the year. During 2005, the Foundation donated \$418,036 to these charities, of which \$55,875 were donations of tickets and other tournament packages which were raffled by the requesting organizations. The proceeds of the raffles were donated to charitable organizations. In addition to these donations, a sponsor of the Foundation contributed \$50,000 directly to the World Golf Foundation on behalf of the Foundation.

7) Agency transactions

The Foundation, serving as an agent capacity, receives funds from various charity golf tournaments and other events throughout the year. Those funds are then distributed to the appropriate charity. The total amount received during 2005 was approximately \$332,900 of which \$304,000 was distributed to the various charities.

8) Statements of cash flows supplementary disclosures

	<u>2005</u>	<u>2004</u>
Cash paid for interest expense was as follows:		
Interest expense	\$ <u>42,682</u>	\$ <u>5,405</u>
Supplemental disclosure of non-cash transactions:		
Acquisition of leasehold improvements	\$ <u>-</u>	\$ <u>285,000</u>

FORE!KIDS FOUNDATION, INC.
d/b/a ZURICH CLASSIC OF NEW ORLEANS
NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2005

9) Lines of credit

	<u>2005</u>	<u>2004</u>
A \$350,000 revolving line of credit with a bank. The interest rate on the line is the bank's prime rate plus 1%. The interest rate was 7.25% at June 30, 2005. The line expires October 2005.	\$ 349,313	\$ -
A \$300,000 revolving line of credit with a bank. The interest rate on the line is the bank's prime rate plus 1%. The interest rate was 7.25% at June 30, 2005. The line expires August 2005.	<u>299,481</u>	<u>-</u>
Total lines of credit	<u>\$ 648,794</u>	<u>\$ -</u>

10) Short-term debt

Short-term debt consists of the following at June 30, 2005 and 2004:

	<u>2005</u>	<u>2004</u>
Note payable to a bank. Interest at prime plus ½%. Payable with accrued interest at maturity on August 2, 2003.	\$ -	<u>\$635,000</u>
	<u>\$ -</u>	<u>\$635,000</u>

11) Leases

The Foundation leases office space under a noncancellable operating lease which expires in June 2014.

The following is a schedule of future aggregate minimum lease payments for all noncancellable operating leases payable over the remaining lives of the leases:

<u>Year ending June 30,</u>	<u>Amount</u>
2006	\$200,000
2007	190,000
2008	80,000
2009	80,000
2010	80,000
Subsequent years	313,000

FORE!KIDS FOUNDATION, INC.
d/b/a ZURICH CLASSIC OF NEW ORLEANS
NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2005

12) Accrued retirement benefits

The Foundation has granted a former employee a retirement package which includes an obligation to pay a monthly sum of \$801 until death. This obligation has been estimated based on the life expectancy of the retiree. Discounted at 8% to the present value of the estimated stream of payments. Interest is being accreted over the expected life of the retiree.

13) Income taxes

No provision for federal and state income taxes has been reflected in the accompanying financial statements because the Foundation is exempt from income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code.

14) Advertising

The Foundation expenses advertising as incurred. Advertising expense was \$595,671 and \$511,611 for the years ended June 30, 2005 and 2004, respectively.

FORE!KIDS FOUNDATION, INC. D/B/A ZURICH CLASSIC OF NEW ORLEANS
SUPPLEMENTARY INFORMATION - STATEMENTS OF INCOME

Years Ended June 30, 2005 and 2004

	2005	%	2004	%
Tournament revenue				
Audubon par 3 trail	\$ 73,077	0.7	\$ -	-
Birdies for kids	100	0.0	-	-
Bobby Jones Saturday series	-	-	71,700	0.8
Celebrity kids class	-	-	54,500	0.6
Charity series	107,193	1.0	56,677	0.6
Committee	57,798	0.6	-	-
Contributions	349,402	3.3	78,407	0.8
Corporate expo income	21,250	0.2	46,600	0.5
Corporate tent sponsors	55,000	0.5	24,500	0.3
Entry fee for professionals	395	0.0	640	0.0
Fairway villas	5,000	0.0	-	-
Fan pack	54,250	0.5	-	-
Grants	641,692	6.1	248,125	2.6
Holiday package income	12,412	0.1	49,852	0.5
Junior golf income	8,150	0.1	50,455	0.5
Monday - pro am	151,550	1.4	138,000	1.4
Outside concessions	36,703	0.3	21,719	0.2
Par 3 and 4	-	-	16,850	0.2
Parking income	35,160	0.3	40,040	0.4
Patton's Pointe	121,487	1.2	158,850	1.7
PGA tour charity income	-	-	150,000	1.6
Program/pairing sheet advertising	193,400	1.8	196,643	2.1
Sales of other rights	2,617,860	24.9	2,507,505	26.3
Skybox sales	1,044,760	10.0	877,685	9.2
Special events income	82,944	0.8	76,192	0.8
Sponsor pavilion sales and rights	24,957	0.2	136,871	1.4
Sponsorship sales	1,162,325	11.1	1,206,613	12.6
Television rights	3,410,000	32.5	3,161,994	33.1
Ticket sales	122,617	1.2	131,580	1.4
TPC package	38,385	0.4	-	-
Uniform income	68,740	0.7	37,390	0.4
Total tournament revenue	<u>\$ 10,496,607</u>	100.0	<u>\$ 9,539,388</u>	100.0

FORE!KIDS FOUNDATION, INC. D/B/A ZURICH CLASSIC OF NEW ORLEANS
SUPPLEMENTARY INFORMATION - STATEMENTS OF INCOME

Years Ended June 30, 2005 and 2004

	2005	%	2004	%
Direct tournament expenses				
Badges/ticket sales expense	\$ 62,683	0.6	\$ 64,357	0.7
Bobby Jones Saturday series expense	-	-	14,047	0.1
Caddy expense	19,358	0.2	3,217	0.0
Celebrity kids classic	-	-	39,181	0.4
Champion club expense	82,660	0.8	76,507	0.8
Charity series expense	107,193	1.0	55,805	0.6
City police and security	81,363	0.8	96,982	1.0
Civic patron expense	37,456	0.4	45,000	0.5
Communications expense	5,000	0.0	5,000	0.1
Corporate expo expense	84,861	0.8	14,214	0.1
Corporate sponsor tents	-	-	8,477	0.1
Course improvements	2,200	0.0	95,537	1.0
Courtesy cars	13,217	0.1	5,789	0.1
Entry fee paid to PGA tour	395	0.0	640	0.0
Equipment rental and storage	107,459	1.0	228,561	2.4
Fairway villas	20,945	0.2	-	-
Golf course rental	-	-	135,000	1.4
Grounds and clubhouse expense	17,550	0.2	74,091	0.8
HP	-	-	54,064	0.6
Island club expense	88,160	0.8	51,773	0.5
Junior clinic	369	0.0	-	-
Junior golf expense	19,436	0.2	77,244	0.8
Monday tournament	56,437	0.5	55,484	0.6
Nursery expense	624	0.0	2,252	0.0
Parking	153,866	1.5	122,683	1.3
Patton's Point	134,400	1.3	105,057	1.1
Prizes to professionals	5,500,000	52.4	5,100,000	53.5
Professional players expense	162,312	1.5	128,852	1.4
Publicity and advertising	595,671	5.7	511,611	5.4
Sanitation expense	43,050	0.4	27,604	0.3
Scoring expense	3,733	0.0	6,895	0.1
Skybox expense	441,079	4.2	456,080	4.8
Special events expense	42,224	0.4	36,114	0.4
Sponsorship pavilion expense	53,135	0.5	96,971	1.0
Sponsorship sales expense	19,998	0.2	12,285	0.1
Supplies - golf course	489	0.0	19,626	0.2
Temporary electrical service	88,230	0.8	50,691	0.5
Title sponsor expense	5,782	0.1	-	-
Tournament office expense	1,873	0.0	572	0.0
Tournament signs	123,643	1.2	27,033	0.3
Tournament week	147,598	1.4	28,940	0.3
TPC expense	942	0.0	1,652	0.0
TPC packages	20,316	0.2	-	-
Uniform expense	50,256	0.5	57,595	0.6
Volunteer expense	30,275	0.3	21,141	0.2
Wednesday tournament	155,031	1.5	93,168	1.0
Total direct tournament expenses	<u>\$ 8,581,269</u>	81.8	<u>\$ 8,107,792</u>	85.0

FORE!KIDS FOUNDATION, INC. D/B/A ZURICH CLASSIC OF NEW ORLEANS
SUPPLEMENTARY INFORMATION - STATEMENTS OF INCOME

Years Ended June 30, 2005 and 2004

	2005	%	2004	%
Indirect tournament expenses				
Bad debts	\$ 100	0.0	\$ 6,000	0.1
Bank service charges	27,363	0.3	24,340	0.3
Depreciation and amortization	66,934	0.6	46,750	0.5
Dues and subscriptions	3,983	0.0	4,150	0.0
Executive committee expense	82,738	0.8	27,993	0.3
Executive director travel and promotion	17,620	0.2	13,305	0.1
Insurance	109,765	1.0	114,451	1.2
Miscellaneous	463	0.0	297	0.0
Office expenses	52,650	0.5	39,716	0.4
Other travel and entertainment	8,112	0.1	10,316	0.1
Postage	19,717	0.2	18,684	0.2
Printing	10,213	0.1	3,836	0.0
Professional fees	52,344	0.5	44,485	0.5
Rent	200,000	1.9	85,314	0.9
Salaries and benefits	528,115	5.0	532,943	5.6
Scholarship	3,000	0.0	-	-
Taxes	29,258	0.3	35,571	0.4
Telephone	42,243	0.4	54,543	0.6
Total indirect tournament expenses	<u>\$ 1,254,618</u>	12.0	<u>\$ 1,062,694</u>	11.1

FORE!KIDS FOUNDATION, INC. D/B/A ZURICH CLASSIC OF NEW ORLEANS
SUPPLEMENTARY INFORMATION - STATEMENTS OF INCOME

Year Ended June 30, 2005

	2005
Charitable contributions	
Alex Alexander's Caddie Golf Tournament	\$ 200
Angel's Place tennis tournament	350
Archbishop Blenk's gala	200
Archbishop Chapelles' emerald gala	200
Atonement Lutheran Church auction	200
Battered Women's Program of Baton Rouge	5,000
Best of the West	400
Bethlehem Children's Treatment Center auction	200
Better than Ezra Golf Tournament	5,000
Bishop Joseph High School's auction	200
Bishop Perry Middle School	6,000
Boys and Girls Club of Greater Baton Rouge	5,000
Boys Hope Girls Hope	25,000
Boys Hope tournament	400
Bridge House's Cochon Cotillionix gala	400
Bright School	7,000
Brother Martin gala	200
Brother Martin golf tournament	200
Café Reconcile	5,000
Camp Challenge fundraiser	200
Camp Pelican	3,000
Catholic Charities access jazz brunch	200
Catholic Charities annual gala	400
Cedarwood School's fundraiser	200
Charity Hospital Trauma-Rama fundraiser	200
Chartwell Center	4,000
Children's Bureau	7,500
CHM's spring garden party	400
Council on Alcohol and Drug Abuse	10,000
Crescent Academy	4,000
Crime Stopper carnivale	200
Cystic Fibrosis golf tournament	400
David Tom's Foundation	2,000
Delta Ballet Festival auction	200
Dreams Come True tournament	8,200
Easter Seals	100
Easter Seals Southshore Classic	400
Epilepsy Foundation's gala	200
Fairground's fundraiser	200
Family Services of Greater New Orleans	5,000
Foundation for Excellence	5,000

FORE!KIDS FOUNDATION, INC. D/B/A ZURICH CLASSIC OF NEW ORLEANS
SUPPLEMENTARY INFORMATION - STATEMENTS OF INCOME

Year Ended June 30, 2005

	2005
Charitable contributions (continued)	
Friends of City Park fundraiser	200
Friends of N.O.R.D.	4,000
Gillen annual blood drive	200
Girl Scouts Council of Southeast Louisiana	5,000
Hammond High School	350
Hand-Up program fundraiser	200
Holy Family Catholic Church	200
Holy Rosary Catholic School	15,000
Hope Haven	10,000
Hope Haven fundraiser	200
Houston Open	2,500
JDFS Golden Tassel gala	200
JDRF Golf Tournament	400
Jefferson Community School	5,000
Jefferson Community School's fundraiser	200
Jefferson Parish Athletics	2,640
Jefferson Parish Reserve Patrol Division	1,500
Jefferson Parish Reserve Traffic Division	1,000
John Brady tournament	400
John Daly's charities	25,000
JoJo's Hope	5,000
JP Medical Society fundraiser	200
Junior Achievement	4,000
Junior Cancer Society fundraiser	400
Juvenile Diabetes Research Foundation	10,000
Kingsley House	8,000
Kiwanis Golf Tournament	200
Kleinpeter Farms/David Toms Foundation 1st Tee	3,375
Knights of Columbus' golf tournament	200
LA SPCA auction	200
Leonard J Chabert Medical Center Foundation	5,000
Leukemia and Lymphoma Society	3,200
Louisiana Children's Museum	9,000
Louisiana Restaurant Association	74,500
Loyola Golf Tournament	600
LSU AgCenter Chancellor's golf classic	200
LSU Children's Fund's heroes with halo fundraiser	200
LSUSD golf classic	200
Lutheran High School's annual gryphon gala	200
Magnolia School	2,500
March of Dimes	600

FORE!KIDS FOUNDATION, INC. D/B/A ZURICH CLASSIC OF NEW ORLEANS
SUPPLEMENTARY INFORMATION - STATEMENTS OF INCOME

Year Ended June 30, 2005

2005

Charitable contributions (continued)

Mary Bird Perkins' Pro-Am	450
Medical Center of LA's fair	200
Methodist Home for Children	4,000
Mickey Heber Cancer Benefit tournament	200
Mt. Carmel Academy's golf tournament	200
New Orleans Meals on Wheels gala	200
New Orleans Public Library	4,000
New Orleans Speech and Hearing Center	8,000
Newman School	450
Niceville HS annual golf tournament	200
PGA TOUR	6,221
Raintree Children's Services	7,200
Ronald McDonald House auction	200
Sisters of St. Joseph's spring gala	200
Southern Farm Bureau Monster Board	5,000
St. Ann School fundraiser	200
St. Dominic's auction	6,900
St. Elizabeth's guild luncheon	200
St. George's auction	200
St. Martin's spring fundraiser	200
St. Rita's Rodeo	1,400
St. Rosalie Bingo	200
Stair Program	5,300
Stuart Hall's auction	200
Summerbridge	3,000
Tulane's Helluva Hullabaloo	200
Ursuline Academy gala	200
US Coast Guard's golf tournament	200
Visiting Nurses Assoc.annual fundraiser	200
VOA golf tournament	15,000
Walker H.S. Softball team	200
Westbank Italian Open	400
Young Life	32,000
	<hr/>
Total charitable contributions	\$ 418,036

RALPH A. DAZET
PHILIP A. GARRETT
FRANCIS O. BOLOGNA
CLIFTON W. NEWLIN



WEGMANN DAZET & COMPANY

ROBERT D. WATKINS
EDWARD G. BERBUESSE, JR.
MARK D. BOHNET
JON S. FOLSE

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Fore!Kids Foundation, Inc. d/b/a Zurich Classic of New Orleans

We have audited the financial statements for Fore!Kids Foundation, Inc. d/b/a Zurich Classic of New Orleans (the "Foundation"), a Louisiana nonprofit organization as of and for the year ended June 30, 2005, and have issued our report thereon dated August 10, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Foundation's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, others within the organization and the Louisiana Legislative Auditor Office and is not intended to be and should not be used by anyone other than these specified parties.

August 10, 2005

Wegmann Dazet + Company

FORE!KIDS FOUNDATION, INC.
d/b/a ZURICH CLASSIC OF NEW ORLEANS
SCHEDULE OF FINDINGS

June 30, 2005

Section I Summary of Auditors' Report

A) Financial Statements

Type of auditors' report issued: Unqualified

Internal Control over financial reporting:

- | | | | | |
|--|-------|-----|----------------------|----|
| • Material weakness(es) identified | _____ | Yes | _____ <u>X</u> _____ | No |
| • Reportable condition(s) identified that are not considered to be material weaknesses | _____ | Yes | _____ <u>X</u> _____ | No |
| • Noncompliance material to financial statements noted | _____ | Yes | _____ <u>X</u> _____ | No |

B) Federal Awards

For the year ended June 30, 2005, Fore!Kids Foundation, Inc. d/b/a Zurich Classic of New Orleans was not subject to OMB Circular A-133 Audits of States, Local Government and Non-Profit Organizations.

Section II Financial Statement Findings

There were no financial statement findings required to be reported for the year ended June 30, 2005.

Section III Federal Award Findings and Questioned Costs

Not applicable.

REPORTS BY MANAGEMENT

FORE!KIDS FOUNDATION, INC.
d/b/a ZURICH CLASSIC OF NEW ORLEANS
SCHEDULE OF PRIOR YEAR FINDINGS

June 30, 2005

Section I Internal Control and Compliance Materials to the General Purpose Financial Statements

For the year ended June 30, 2004, there were no internal control or compliance issues reported or noted.

Section II Internal Control and Compliance Material to Federal Awards

For the year ended June 30, 2004 Fore!Kids Foundation, Inc. d/b/a Zurich Classic of New Orleans was not subject to OMB Circular A-133, Audits of States, Local Government and Non-Profit Organizations.

Section III Management Letter

A management letter was not issued in connection with the audit of the year ended June 30, 2004.

FORE!KIDS FOUNDATION, INC.
d/b/a ZURICH CLASSIC OF NEW ORLEANS
MANAGEMENT'S CORRECTIVE ACTION PLAN

June 30, 2005

Section I Internal Control and Compliance Material to the General Purpose Financial Statements.

For the year ended June 30, 2005, there were no internal control or compliance issues reported or noted.

Section II Internal Control and Compliance Material to Federal Awards.

For the year ended June 30, 2005, Fore!Kids Foundation, Inc., d/b/a Zurich Classic of New Orleans was not subject to OMB Circular A-133, Audits of States, Local Government and Non-Profit Organizations.

Section III Management Letter

A management letter was not issued in connection with the audit of the year ended June 30, 2005.